

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2013-266-C

Application of Conterra Ultra Broadband,)
LLC for a Certificate of Public)
Convenience and Necessity to Provide)
Local Exchange Telecommunications)
Services in South Carolina)

DIRECT TESTIMONY OF ANGELA C. LEE
ON BEHALF OF CONTERRA ULTRA BROADBAND, LLC

1 **Q: PLEASE STATE YOUR NAME, TITLE, BUSINESS ADDRESS AND**
2 **TELEPHONE NUMBER FOR THE RECORD.**

3 A: My name is Angela C. Lee. I am the VP, Corporate Counsel and Secretary of Conterra
4 Ultra Broadband, LLC (“Conterra”) or (“Applicant”). My business address is 2101
5 Rexford Road, Suite 200E, Charlotte, NC 28211.

6 **Q: PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**
7 **PROFESSIONAL EXPERIENCE.**

8 A: I have more than 12 years of legal experience with a focus on contract and lease
9 negotiations and agreements, vendor strategies and management, federal/state legal and
10 regulatory compliance and employment issues. I worked for Bank of America as a
11 Sourcing Manager, Vice President for Global Human Resources where I negotiated
12 general contracts, consulting agreements, and software agreements ensuring risk
13 mitigation and maximum cost savings. I also worked with the Research Triangle Institute
14 negotiating U.S. and internationally based contracts with commercial and government
15 clients for research units, consultants and scientists. In addition, I worked independently
16 for a period focusing primarily on Immigration and Employment law where, where in
17 addition to many other responsibilities, I represented individuals and companies before
18 United States Citizenship and Immigration Services (USCIS) and other
19 judicial/regulatory bodies.

20 I have a dual-major undergraduate degree in Communication and Political
21 Science from North Carolina State University and received my law degree from the
22 University of North Carolina, Chapel Hill. I have traveled extensively throughout the
23 world and am developing language proficiencies in French and Chinese.

1 **Q: PLEASE BRIEFLY DESCRIBE YOUR DUTIES WITH CONTERRA.**

2 A: I am the in-house Counsel for Conterra. As stated above, my direct title is VP, Corporate
3 Counsel & Secretary. I handle contract and lease negotiations and agreements, vendor
4 strategies and management, federal/state legal and regulatory compliance and
5 employment issues.

6 **Q: ARE YOU FAMILIAR WITH THE APPLICATION THAT CONTERRA**
7 **SUBMITTED TO THIS COMMISSION?**

8 A: Yes.

9 **Q: ARE ALL STATEMENTS IN CONTERRA'S APPLICATION TRUE AND**
10 **CORRECT TO THE BEST OF YOUR KNOWLEDGE, INFORMATION AND**
11 **BELIEF?**

12 A: All statements in Conterra's application are true and correct to the best of my knowledge,
13 information, and belief. I would like to incorporate by reference the application and all its
14 exhibits into this testimony.

15 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

16 A: The purpose of my testimony is to present evidence in support of Conterra's application
17 for a Certificate to provide local exchange services that Applicant proposes to offer in
18 South Carolina. My testimony specifically relates to Conterra's managerial, financial, and
19 technical competence to provide the telecommunications services for which authority is
20 requested, and its fitness, willingness, and ability to comply with the rules and policies of
21 this Commission and to demonstrate that the grant of this Application would be in the
22 public interest.

1 **Q: PLEASE DESCRIBE THE CURRENT CORPORATE STRUCTURE OF**
2 **CONTERRA ULTRA BROADBAND, LLC.**

3 A: Conterra Ultra Broadband Holdings, Inc. is the Parent Company to Conterra Ultra
4 Broadband, LLC and Conterra Broadband Inter-Mountain, LLC. Conterra Ultra
5 Broadband, LLC is the Parent Company for Conterra Wireless Broadband, LLC.

6 **Q: IS APPLICANT AUTHORIZED TO DO BUSINESS IN SOUTH CAROLINA?**

7 A: Yes. Conterra is authorized to transact business in the State of South Carolina. A copy
8 of Conterra's Certificate of Existence was provided to the Commission with the
9 Application as Exhibit 2.

10 **Q: DOES CONTERRA POSSESS THE REQUISITE MANAGERIAL, FINANCIAL,**
11 **AND TECHNICAL ABILITIES TO PROVIDE THE SERVICES FOR WHICH IT**
12 **HAS APPLIED FOR AUTHORITY?**

13 A: Conterra is financially, technically, and managerially qualified to operate and manage its
14 proposed telecommunications operations in South Carolina. Conterra's highly-qualified
15 technical staff will ensure that its operations will meet high standards for service quality
16 and reliability.

17 **Q: PLEASE DESCRIBE APPLICANT'S FINANCIAL QUALIFICATIONS.**

18 A: Conterra is an extremely well-funded company with a history of strong financial
19 performance. A major contributor to the company's success is the strength and ongoing
20 support of its world-class financial partners. Conterra is confident that it has the financial
21 resources to complete any sized project. The Company's Consolidated Financials were
22 filed "under seal" as Exhibit 4 to the Application.

1 **Q: PLEASE DESCRIBE CONTERRA'S MANAGERIAL AND TECHNICAL**
2 **QUALIFICATIONS.**

3 A: Conterra is led by a team of senior executives with deep and relevant industry experience.
4 Conterra's management team has extensive business experience, which will enable
5 Conterra to meet high service quality standards. With regard to technical resources,
6 Conterra is a highly experienced Ethernet and TDM transport carrier that specializes in
7 the design, deployment and operation of customized transport networks. Descriptions of
8 the key personnel of Conterra were provided as Exhibit 3 to the Application.

9 **Q: WHAT SERVICES DOES CONTERRA OFFER?**

10 A: Conterra will provide two product and service packages: (1) cellular backhaul transport;
11 and (2) broadband networks for K-12, healthcare and government entities. Each product
12 and service is physically based on FCC licensed common carrier microwave and fiber
13 optic transport. In addition, each network is customized to a specific customer's needs
14 and requirements and is not available to the general public through retail sales by
15 Conterra. In the future, Conterra may expand to provide these services to the general
16 public.

17 Within cellular backhaul transport, Conterra provides carrier grade Ethernet or
18 TDM connectivity and transport from a wireless carrier or from a lower profile
19 connection point (telecommunications tower, point of presence or carrier hotel). Conterra
20 supplies customer specified transport bandwidth from site A to Z. The contents of that
21 transport, voice or data, are at the discretion of the customer.

22 Within its broadband networks for K-12, healthcare and government entities,
23 Conterra provides carrier grade Ethernet (data) connectivity transport between points in

1 the client's Wide Area Network (WAN) and, in certain instances, to an Internet Access
2 Point"). These broadband networks are defined as WANs and are not available directly to
3 the public through Conterra.

4 **Q: WILL CONTERRA OFFER SERVICE TO ALL CONSUMERS WITHIN ITS**
5 **SERVICE AREA?**

6 A: Conterra will offer service to K-12, healthcare and government entities. Conterra does not
7 offer service to the general public through retail sales; however, in the future, Conterra
8 may expand to provide these services to the general public.

9 **Q: DOES CONTERRA PLAN TO OFFER LOCAL EXCHANGE**
10 **TELECOMMUNICATIONS SERVICES IN AREAS SERVED BY AN**
11 **INCUMBENT LOCAL EXCHANGE TELEPHONE COMPANY WITH FEWER**
12 **THAN 100,000 TOTAL ACCESS LINES?**

13 A: Conterra has no plans to offer local exchange telecommunications at this time.
14 Accordingly, none of the services Conterra offers currently would implicate a rural
15 telephone company's federal rural exemption under 47 U.S.C. § 251(f)(1). Moreover,
16 because Conterra will not offer local exchange services, it will offer no retail local
17 exchange services, and the provisions of 10 S.C. Code Ann. Regs. § 103-607 are not
18 applicable to Conterra.

19 **Q: WILL THE GRANTING OF A CERTIFICATE OF CONVENIENCE AND**
20 **NECESSITY TO CONTERRA SERVE THE PUBLIC INTEREST?**

21 A: Yes, granting of a certificate of convenience and necessity to Conterra will serve the
22 public interest. The entry of Conterra into the local exchange market will enhance the
23 provision of telecommunications services within South Carolina. Granting of this

1 certificate will not adversely impact, but rather will contribute to the availability of
2 reasonably affordable local exchange service in South Carolina. Conterra will provide
3 customers with an optimal combination of price, quality, and customer service. The
4 competition that Conterra seeks to bring to local telecommunications will expand
5 customer choice and spur higher service quality at lower prices through increased
6 innovation and efficiency. The result will be a stimulus to economic growth and
7 development, particularly in the information-intensive service industries that form an
8 increasingly important component of the South Carolina economy.

9 **Q: DOES CONTERRA INTEND TO COMPLY WITH ALL COMMISSION RULES,**
10 **STATUTES, AND ORDERS PERTAINING TO THE PROVISION OF**
11 **TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA, INCLUDING**
12 **THOSE FOR DISCONNECTION AND RECONNECTION OF SERVICE?**

13 A: Conterra intends to comply with all Commission rules, statutes, and orders pertaining to
14 the provision of telecommunications service in South Carolina. Conterra agrees to abide
15 by all 911 requirements should it ever provide retail local exchange services.

16 **Q: HAS ANY STATE EVER DENIED CONTERRA OR ONE OF ITS AFFILIATE'S**
17 **AUTHORIZATION TO PROVIDE INTRASTATE SERVICE?**

18 A: No state has ever denied Conterra or one of its affiliate's authorization to provide
19 intrastate service.

20 **Q: HAS ANY STATE EVER REVOKED THE CERTIFICATION OF CONTERRA**
21 **OR ONE OF ITS AFFILIATES?**

22 A: No state has ever revoked the certification of Conterra or one of its affiliates.

1 **Q: HAS CONTERRA OR ONE OF ITS AFFILIATES EVER BEEN INVESTIGATED**
2 **OR SANCTIONED BY ANY REGULATORY AUTHORITY FOR SERVICE OR**
3 **BILLING IRREGULARITIES?**

4 A: Neither Conterra nor its affiliates have ever been investigated or sanctioned by any
5 regulatory authority for service or billing irregularities.

6 **Q: WHO IS KNOWLEDGEABLE ABOUT CONTERRA'S OPERATIONS AND**
7 **WILL SERVE AS CONTERRA'S REGULATORY AND CUSTOMER SERVICE**
8 **CONTACT?**

9 A: Kelley Boan is knowledgeable about Conterra's operations and will serve as Conterra's
10 regulatory and customer service contact. Kelley Boan's contact information is as follows:

11 Conterra Ultra Broadband, LLC
12 Attn: Kelley Boan
13 2101 Rexford Road, Suite 200E
14 Charlotte, NC 28211
15 Phone: 443-742-6379
16 Fax: 704-936-1801
17 Email: kboan@conterra.com
18

19 **Q: WILL APPLICANT'S TARIFF CONTAIN ALL OF ITS RATES AND CHARGES**
20 **AS REQUIRED FOR INTRASTATE TELEPHONE SERVICES?**

21 A: Yes. Conterra's illustrative tariff, setting forth the terms, conditions, rates, charges and
22 regulations pursuant to which Conterra proposes to provide regulated
23 telecommunications service was provided as Exhibit 5 to the Application.

24 **Q: HOW WILL APPLICANT BILL FOR ITS SERVICES?**

25 A: Applicant will issue its own monthly invoices to its customers.

26 **Q: HOW WILL APPLICANT MARKET ITS SERVICES?**

27 A: Conterra's primary method of marketing will involve the use of a direct sales force.

1 **Q: DOES APPLICANT USE TELEMARKETING AS A METHOD FOR SELLING**
2 **ITS SERVICES?**

3 A: Conterra does not currently have plans to use out-bound telemarketing in South Carolina.
4 If Conterra decides to use out-bound telemarketing in the future, Applicant will comply
5 with all applicable telemarketing rules.

6 **Q: HOW ARE CUSTOMER INQUIRIES/DISPUTES HANDLED?**

7 A: Customers with billing questions or complaints may reach Conterra at its toll free number
8 at 1-800-634-1374. In the event of a billing dispute, Conterra will perform a review of
9 the disputed billing amount and promptly attempt to reach a settlement to the mutual
10 satisfaction of all parties. Following a full investigation to determine whether or not the
11 charges may have been fraudulent or improper, Conterra may adjust the disputed bill.

12 **Q: DOES THE APPLICANT SEEK EXEMPTIONS FROM ANY RULES**
13 **REQUIRING THAT ITS BOOKS BE KEPT IN CONFORMANCE WITH THE**
14 **UNIFORM SYSTEM OF ACCOUNTS?**

15 A: Yes. The USOA was developed by the Federal Communications Commission as a means
16 of regulating telecommunications companies subject to rate base regulation. As a
17 competitive carrier, Applicant will not be subject to rate base regulation and therefore
18 requests Commission approval for Applicant to maintain its books in accordance with
19 Generally Accepted Accounting Principles ("GAAP").

1 **Q: ARE YOU SEEKING A WAIVER OF THE REQUIREMENT THAT YOUR**
2 **BOOKS AND RECORDS BE KEPT IN SOUTH CAROLINA PURSUANT TO 10**
3 **REGS. 103-610?**

4 A: Yes. Applicant's principal office is located in North Carolina, and in the absence of such
5 a waiver, Applicant would have to assume additional expenses to maintain records and
6 reports in an office in South Carolina. Applicant will maintain the required records at its
7 principal place of business. All such books and records shall be provided to the
8 Commission Staff or the South Carolina Office of Regulatory Staff ("ORS") at the
9 appropriate applicable office within the State of South Carolina in a timely manner upon
10 request.

11 **Q: IS APPLICANT SEEKING FLEXIBLE REGULATORY TREATMENT FOR ITS**
12 **RETAIL LOCAL EXCHANGE SERVICE OFFERINGS?**

13 A: Yes, Applicant respectfully requests that any future retail local service offerings be
14 regulated in accordance with procedures outlined in Order No. 98-165 in Docket No. 97-
15 467-C.

16 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**

17 A: Yes.

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IN RE:

Application of Conterra Ultra Broadband, LLC for a
Certificate of Public Convenience and Necessity to
Provide Local Exchange Telecommunications
Services in South Carolina

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)
) **CERTIFICATE OF SERVICE**
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This is to certify that I have caused to be served this day, one (1) copy of the Direct Testimony of Angela C. Lee by placing a copy of same in the care and custody of the United States Postal Service (unless otherwise specified), with proper first-class postage affixed hereto and addressed as follows:

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August 26, 2013
Columbia, South Carolina